**A Big Job**

Clarence: Your name's Roger, yes?

Roger: Roger.

Clarence: And what do you do for a living Roger?

Roger: I'm the country's finance minister.

Clarence: And what does the country's finance minister do Roger?

Roger: I manage the country's finances.

Clarence: And how does that happen Roger?

Roger: Double entry book keeping.

Clarence: And what is double entry book keeping Roger?

Roger: If you have one million dollars in government liabilities, you also have one million dollars in capital.

Clarence: And what is one million dollars in government liabilities Roger?

Roger: It's one million dollars in government treasuries.

Clarence: And that's why your chosen subject is capitalism?

Roger: Correct.

Clarence: Because government treasuries free up all that capital?

Roger: That's right.

Clarence: All right Roger, your time starts now. What does the country's central bank do Roger?

Roger: It prints the country's bank notes.

Clarence: Correct. And what else does the country's central bank do Roger?

Roger: It controls inflation.

Clarence: And how does it do that Roger?

Roger: It raises or lowers its rate of interest.

Clarence: Correct. And where does inflation come from?

Roger: The opposition party.

Clarence: Correct. And what do government treasuries do Roger?

Roger: They back the country's dollar.

Clarence: Correct. And where should the bank notes for that come from Roger?

Roger: They should come from the country's central bank.

Clarence: And why is that?

Roger: Because the country's central bank is the printer of the country's bank notes and is owned by the country's government.

Clarence: And that's what separates politics from monetary policy?

Roger: That's why we have a central bank, so politics is kept separate from monetary policy.

Clarence: So what does the opposition party do then Roger?

Roger: It prints more government treasuries.

Clarence: Correct. And why does it do that Roger?

Roger: So it can spend more money.

Clarence: And why does that happen Roger?

Roger: Because of the opposition party.

Clarence: So when more government treasuries are printed, the country's government is not borrowing more money?

Roger: That's why you sell more state owned assets.

Clarence: And why is that Roger?

Roger: Because it pays down government debt.

Clarence: Then why does government debt keep increasing Roger?

Roger: Because of the opposition party.

Clarence: So government treasuries should back the country's dollar not gold and silver and are exchanged for the country's bank notes and the country's bank notes are printed by the country's central bank?

Roger: Correct.

Clarence: And that frees up all that capital?

Roger: No, that's creating inflation.

Clarence: So what creates capital then Roger?

Roger: The opposition party.

Clarence: Correct. So government treasuries aren't a liability for the country's taxpayer to pay for?

Roger: Why do you think we're having another election?

Clarence: So can you vote for the opposition party?

Roger: Correct.

Clarence: And who do you think that should be for Roger?

Roger: The opposition party.

Clarence: So that's not going to create more inflation then?

Roger: So you're saying we shouldn't have an election?

Clarence: And that's what the next election is for?

Roger: Correct.

Clarence: So what then is a democracy Roger?

Roger: The opposition party.

Clarence: And why is that Roger?

Roger: How do you have an election without an opposition party?

Clarence: And that's what a democracy is?

Roger: How do you have a democracy without an election?

Clarence: The opposition party?

Roger: Why do you think we're having another election!

Clarence: So if government treasuries need to be repaid at interest, and bank notes can only exist if government treasuries have been printed, where then does the money to pay for the interest come from then Roger?

Roger: Well, we're going to have to borrow more money aren't we?

Clarence: And that's what government treasuries are for?

Roger: That's what controls inflation.

Clarence: And where is the country's central bank going to get its money from again Roger?

Roger: It's going to print it.

Clarence: And who is it going to owe for doing that Roger?

Roger: The country's central bank is owned by the country's government.

Clarence: And why is that Roger?

Roger: Because it separates politics from monetary policy.

Clarence: And that is in exchange for more government treasuries?

Roger: Correct.

Clarence: And why is that again?

Roger: Because you can't have assets without a liabilities column.

Clarence: So government treasuries are the liabilities column and bank notes are the assets column?

Roger: Correct.

Clarence: But if all government debt is monetized in the country's bank notes and all of the country's bank notes are printed by the country's central bank, does that not mean that all government debt is owed to the country's central bank?

Roger: Correct.

Clarence: But isn't that charging yourself interest to use your own bank notes?

Roger: So you're saying we should no longer have to repay our debts?

Clarence: And that's why government debt hasn't decreased?

Roger: What do you think the opposition party does?

Clarence: And inflation?

Roger: The opposition party.

Clarence: And what does the other party do again Roger?

Roger: It frees up all that capital.

Clarence: And that's why we should have another election?

Roger: So you're saying we should no longer live in a democracy?

Clarence: So, how much money has been borrowed from overseas countries then Roger?

Roger: So you're saying we can't print our own bank notes?

Clarence: So what then is the exchange rate Roger?

Roger: It's the buying and selling of bank notes after government treasuries have been printed.

Clarence: And that frees up all that capital?

Roger: Correct.

Clarence: And how does that happen Roger?

Roger: Because you can sell your goods to another country.

Clarence: And that is because of the exchange rate?

Roger: Correct.

Clarence: So the exchange rate isn't the buying and selling of bank notes after government treasuries have been printed?

Roger: No, that's tariffs.

Clarence: And what are tariffs for Roger?

Roger: Because it's owned by China.

Clarence: And that's how you pay down more government debt?

Roger: Correct.

Clarence: Well Roger, that was a tremendous effort.

Roger: It was?

Clarence: Yes, after all of that you've only stripped the entire country of its assets.

Roger: So you're saying there's no more state owned assets to sell?

Clarence: They've all been sold to pay down government debt.

Roger: And that's good is it?

Clarence: It's excellent.

Roger: I think I'm going to move to China.